

Settlement Agreement and Mutual Release - Security

EXHIBIT 3

Interim Agreement

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Vix and seven transit agencies ("The Agencies") are parties to the Contract for the Development, Implementation, Operation and Maintenance of the Regional Fare Coordination System (the "ORCA Contract").

The Agencies contend that the regional fare card system ("RFCS") requires work that has been referred to as P-1 and P-2(a). Vix disagrees that the work is necessary, but has agreed to perform the work. The P-1 work plan is currently being implemented and is anticipated to be completed by October 2014. The Parties are also working on implementing the P-2(a) work plan, as more particularly described below.

The Agencies contend that Vix is obligated by the ORCA Contract to perform all update, maintenance and security work, including P-1 and P-2(a) work, for set fees outlined in the Contract and without additional compensation, except as provided in the Tech Agreement in respect to P-1. In addition, the Agencies contend that Vix is required to conduct annual audits to ensure compliance with existing security standards, including but not limited to PCI security standards.

Vix contends that (a) the P-1 and P-2(a) work is new work requiring additional compensation, and that (b) its compliance with PCI standards requires additional compensation.

The Agencies and Vix each reserve all their respective rights to claim against each other, and to assert available defenses to any claims. This reservation is intended to be comprehensive, and includes but is not limited to claims relating to:

- P-1 work;
- P-2(a) work as defined below;
- Security obligations, including but not limited to PCI;
- System scale;
- Financial transparency and audit rights; and
- Any other claims existing under the Tech Agreement or ORCA Contract, except as may be provided in any other written agreement between the parties, for example the parties' Settlement Agreement and Mutual Release with respect to end of life issues.

The Agencies agree to pay Vix \$1,100,000 toward the P-1 cost. Vix agrees to complete the work in good faith pursuant to the P-1 plan, Tech Agreement and the ORCA Contract by October 31, 2014.

The Agencies have committed to pay Vix \$21,288 to perform a preliminary analysis to recommend a solution to separate the reporting data base from production (Amendment 266/RFI 665), and Vix has sent the Agencies an invoice for such sums.

The Agencies agree to pay Vix actual invoiced sums up to \$101,121 in new money for the P-2(a) worked defined below. The \$21,288 referenced in the preceding paragraph does not count against the \$101,121. Vix agrees to complete the work outlined in the following three bullet points by October 31, 2014:

- Procure and install new hardware, including increased memory for the OFS and increased disk space for the Storage Area Network (SAN) in the Production and Disaster Recovery (DR) systems.
- RFI-665 Oracle Reporting Enhancements – move reporting to run against the DR Offline Server (OFS).

Vix agrees to be responsible for remediation of the GSA findings from the 2013 PCI/GSA audit, except where the auditor recommended the Agencies need to be involved in remediation (*e.g.* the joint Incident Response Plan), and for such joint work Vix will work with the Agencies and make best efforts to complete such work by October 31, 2014 as well.

Also in consideration of the sums referenced above Vix will continue data archiving and purging such that the online data contains 25 months of data and all other data has been archived. Vix will complete such work by December 31, 2014 unless the Technical Leadership Committee decides it would be prudent from a technical standpoint to extend that date.

The Parties have further agreed that Vix will address alleged latency and performance issues. Vix will perform Reports Optimization work by December 31, 2014, generally defined as follows:

- Analyze existing standard reports for length of time to execute under controlled circumstances and frequency of execution. (Use a measure that combines execution time and frequency over a set time).
- Select top 10 reports that take the longest to execute and/or are the most frequently executed.
- Optimize the query or the database to improve execution time. Target would be a minimum 20% improvement in the measure. No penalty for not achieving the target.
- For every two reports that could not be optimized further, the next longest to execute report would be added to the list of 10 for optimization evaluation and possible remediation.
- Develop a training video or white paper to educate ad hoc report developers on proper query development techniques including best practices, tips and tricks, timing

recommendations and evaluation strategies to ensure database optimization for query results.

The Technical Leadership Committee is and will continue working in good faith to determine a final scope and price for the Reports Optimization work as soon as possible.

This is intended to be a binding agreement.

The Parties do not agree to a binding arbitration regarding any issue or matter under the ORCA Contract, except as specified narrowly below.

The Parties agree that this Interim Agreement, which shall be treated as a public document, provides for the interim resolution of disputed issues between them and the agreements contained herein are not to be construed as an admission of liability or responsibility by either party or to foreclose the assertion of existing or future claims.

Nothing in this Interim Agreement is intended to modify or alter the parties' obligations under the ORCA Contract or any other agreement between the parties, except as specifically set forth and agreed to herein or in such other agreement.

Any disputes regarding the interpretation of this Interim Agreement shall be resolved by Stew Cogan serving as arbitrator, based on written submissions and, in the mediator's discretion, oral argument. This paragraph is not intended to provide for arbitration of disputes under the ORCA Contract, but rather, is specifically limited to disputes regarding the meaning of this Interim Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Settlement Agreement, effective as of the Effective Date listed above.

READ AND AGREED TO:

By:

Vix Technology (USA) Inc.

Name: DOUGLAS W. THOMAS

Title: GENERAL MANAGER

Date:

10/17/14

By:

Joint Board

Name:

Title:

Date:

And By

Dated:

Kevin Desmond
Kevin Desmond, King County
(King County Metro Transit)

Dated:

~~Loyce Eleanor~~
~~Emmett Heath~~
Snohomish County Public
Transportation Benefit Area Corporation
(Community Transit)

Dated:

Tom Hingson, City of Everett (Everett Transit)

Dated:

John Clauson, Kitsap County Public
Transportation Benefit Area Authority (Kitsap
Transit)

Dated:

~~Lynne Griffith~~
~~James L. Walton~~
Pierce County Public
Transportation Benefit Area Corporation (Pierce
Transit)

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Title: GENERAL MANAGER

Date:

10/17/14

By:

Joint Board

Name: _____

Title: _____

Date:

And By

[Signature]

Dated:

10/22/14

Kevin Desmond, King County
(King County Metro Transit)

Dated: 10/24/14

[Signature]
~~Joyce Eleanor~~, Snohomish County Public
Transportation Benefit Area Corporation
(Community Transit)

Dated: _____

Tom Hingson, City of Everett (Everett Transit)

Dated: _____

John Clauson, Kitsap County Public
Transportation Benefit Area Authority (Kitsap
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Dated: _____

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~~James L. Walton~~
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GENERAL MANAGER

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Joint Board

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And By

Dated:

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10/22/14
Kevin Desmond, King County
(King County Metro Transit)

Dated:

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~~Emmett Heath~~ Transportation Benefit Area Corporation
(Community Transit)

Dated:

Tom Hingson, City of Everett (Everett Transit)

Dated:

John Clauson *10/23/14*
John Clauson, Kitsap County Public
Transportation Benefit Area Authority (Kitsap
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Dated:

~~Lynne Griffith~~ Pierce County Public
~~James L. Walton~~ Transportation Benefit Area Corporation (Pierce
Transit)

Dated: 10/21/14
Brian McCartan

Brian McCartan, Central Puget Sound
Regional Transit Authority (Sound Transit)

Dated: _____

Lynne Griffith, WSDOT Ferries Division
(Washington State Ferries)

Dated: 10/21/14
Brian McCartan

Brian McCartan, Central Puget Sound
Regional Transit Authority (Sound Transit)

Dated: 10/24/14
Lynne Griffith

Lynne Griffith, WSDOT Ferries Division
(Washington State Ferries)

